

**COMMITTEE ON FINANCE**  
**(Standing Committee of Berkeley County Council)**

Chairman: Mr. Steve M. Vaughn, District No. 5

Members: Mr. Milton Farley, District No. 1  
Mrs. Judith K. Spooner, District No. 2  
Mr. William E. Crosby, District No. 3  
Mr. Charles E. Davis, District No. 4  
Mrs. Judy C. Mims, District No. 6  
Mr. Caldwell Pinckney, Jr. District No. 7  
Mr. Henry L. Richardson, Jr., District No. 8  
Mr. James H. Rozier, Jr., Supervisor, ex officio

The COMMITTEE ON FINANCE met on Monday, June 11, 2001, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, at 7:35 p.m.

PRESENT: Mr. Steve M. Vaughn, Councilmember District No. 5, Chairman; Mr. Milton Farley, Councilmember District No. 1; Mrs. Judith K. Spooner, District No. 2; Mr. William E. Crosby, Councilmember District No. 3; Mr. Charles E. Davis, Councilmember District No. 4; Mrs. Judy C. Mims, Councilmember District No. 6; Mr. Henry L. Richardson, Jr., Councilmember District No. 8; Mr. James H. Rozier, Jr., Supervisor, ex officio; and Mr. Rich Lingenfelter, Deputy County Attorney. Mr. Caldwell Pinckney, Jr., Councilmember District No. 7, was excused from this Committee meeting.

The requirements of the Freedom of Information Act have been complied with by posting the time, date, place and agenda of this meeting of Berkeley County Council at the entrance to the Berkeley County Office Building, 223 N. Live Oak Drive, Moncks Corner, South Carolina, and a copy of such notice was mailed to all Councilmembers and the News media.

Chairman Vaughn called the meeting to order and stated first on the agenda was Mr. J. Marc Hehn, Berkeley County Water and Sanitation Director, Re: Review of 2001-2002 Budget.

Mr. Lee Moulder stated he would like to present briefly, numbers on the overall budget, which is a balanced budget without any rate increases. Chairman Vaughn asked did that apply to the Solid Waste Fee? Mr. Moulder stated yes it did.

Mr. Moulder referred to the presentation and stated the first spreadsheet is provided with the budget packet they previously sent Council. He stated the gross revenue numbers would be approximately \$23,155,121, which includes Water and Sewer and Solid Waste. They are broken down individually on the recap sheet. The operating expenditure is approximately \$12,500,000, which is for day-to-day operations. The capital acquisition which goes into buying equipment, computers, bulldozers, backhoes, as well as funding their portion of the capital improvement fund for construction projects such as water and sewer lines, expanding landfills, putting in convenience center sites would amount to approximately \$2,937,000. Mr. Moulder stated they have \$7,600,000 worth of debt service for all three funds. This is to fund all of the bonds and

leasing of equipment they have incurred to build water and sewer lines, expand the plant, build a new Subtitle D Landfill, as well as accommodating any equipment they choose to lease versus purchasing a \$500 bulldozer. He referenced the cash flow projection for the sewer fund and stated they are basically on a break-even basis; and they have some surplus cash. It does not directly relate to the financial statements that Council receives at the end of the year. He stated they are going to break even to a minus as far as their cash flow. A lot of that is precipitated by the capital improvements they would have to make in order to meet the quality standards as well as other expansion needs for expanding the plant and increasing the purification of the wastewater. Mr. Moulder stated Mr. Hehn referred to a slight increase and through their Impact and Capacity Reservation Fee structure they try to recover some of the cost of expanding the system and the capital improvement necessary for growth. He stated he consulted an engineering firm that looked at their capital investment to determine if somebody comes in and uses up a certain amount of that capacity, how much would they reimburse the rest of the taxpayers to purchase their investment in that capacity or that plant they had already put in place. The study had two scenarios. Using the lower numbers they recommended that we have Impact/Capacity Reservation Fee combination of \$1,333.00. Their current structure of the combined fees is only \$450.00; they have requested to give up \$100 on the Capacity Reservation Fee, which would take the total to \$550. The lower number they proposed for the sewer system is \$1,920. Currently, they are collecting \$1,200 between Impact and Capacity Reservation Fees and they are asking for a \$100 increase for the Capacity Reservation Fee, which would be a \$1,300. He stated that if they have the same development as last year, these fees would generate a combined amount of \$160,000 a year in revenues, which is not a large amount when doing million dollar projects.

Chairman Vaughn asked what the current Reservation Fee was? Mr. Moulder stated the Sewer Capacity Reservation Fee is \$250.00. Chairman Vaughn asked was a \$100 a modest increase on \$250? Mr. Moulder stated it is modest compared to the combined total. He stated they have compared their rates to all of the other utilities in the area.

Chairman Vaughn stated he has been very nice about this because when we bought the Hanahan Sewer System his biggest concern was the Capacity and Treatment Plant currently there were based on the users, the fees being collected, the \$950 on the individual tap fee and the increase of the new Reservation Fee years ago. He stated the concern was that we were going to use up the capacity accumulated over the years for the Hanahan Treatment Plant. His understanding was that part of the cost of the Hanahan purchase was factored into the Impact Fee for the Treatment Plant. So, if those calculations were used when we bought the Hanahan Treatment Plant, he didn't understand the increase at all, especially on the sewer side. They have a better argument on the water side. Mr. Moulder stated Hanahan has not been a pot luck situation for them; however, it has been beneficial and has allowed them to go for a modest increase instead of a large increase.

Mr. Hehn stated they have been able to recover the reserves they lost due to the Base closure and they are going to be able to build a third clarifier at the Wastewater Treatment plant that they should have built in 1989. The improvement at the Wastewater Plant is going to give

them more capacity and would also be required because of the problems with the Cooper River station.

Chairman Vaughn stated we bought the Hanahan Sewer Treatment Plant because we needed more customers. User and Impact Fees have a slow growth; Mt. Pleasant is doing it and if Berkeley County Council wants to do that, he is certainly willing to look at that angle. He stated he didn't think that it was in the best interest of the taxpayers of Berkeley County to slow the growth down for residential and/or commercial purposes. If we do that, this Council is going to have a bigger problem next year with a \$39,000,000 budget. Chairman Vaughn stated that in his eleven-year tenure he would like to for once vote for the Berkeley County Water and Sanitation Budget. He stated he would like to see them take both of those fees out of the budget. They have done an excellent job on the budget and he was very impressed that there wasn't a Solid Waste increase and no other increases in the budget with the exception of those user fees; and he can't support that.

Supervisor Rozier stated 40 percent is not a tiny increase.

Mr. Hehn asked the Committee to turn to Page 32 of the Water and Sanitation Budget. Mr. Moulder stated they would do the initiation of this during negative cash flow. As far as the Capital Improvement, which would show the actual construction cost, and any contribution they would be required to make to these construction cost they would see where the need to handle the growth is. The Council of Governments has projected Berkeley County to be one of the high growth areas in light of the fact that Mt. Pleasant has used their Impact Fees as a restrictive measure. He stated they are trying to use their Impact Fees to allow for future growth because they know developers are going to come in and would want water. Mr. Moulder stated they are very aggressive on their grants; they go after every dime they can to take water to every body in the county. However, there are certain construction projects they cannot get grants for, which are development projects they know are coming. That fee is to fund and ensure they could handle future growth. He stated in his past experience, he had seen growth stop because they did not have facilities for future growth.

Chairman Vaughn stated the user fee they are asking for does not impact his company, nor does it have anything to do with his business; so, it's nothing personal. Mr. Hehn stated they have not raised these fees since 1987. He stated they are trying to accumulate some money to help toward the treatment plant because the expansion improvement would be required. Chairman Vaughn stated next was Mr. Ralph E. Hoisington, Ninth Circuit Solicitor, Re: Review of 2001-2002 department budget.

Mr. Hoisington stated that when he ran for Solicitor he didn't run to maintain the status quo of the Solicitor's Office in the Ninth Circuit, Berkeley County particularly, he ran with intentions of improving the office but he needs the tools to do the job. During the election, the Deputy Solicitor's position was left vacant for about five months. The office made it without a leader in Berkeley County and in some places without leadership in Charleston. He stated one thing he could not do was to run the office without two investigators. There had been two investigators in the Solicitor's Office for over a year and a half; Berkeley County funds one; the

other came from Charleston County and was put in place for emergency by his predecessor. Mr. Hoisington stated Fred Bochemin, a 20-year police veteran, had been here for a year and a half as the second investigator for Berkeley County but working for Charleston County. He stated he could not let that continue, also, he cannot do without this service. He stated Blair Jennings is the Deputy Solicitor for Berkeley County, and Jocelyn Cate, who handles Family Court. Mr. Hoisington stated the proposal he submitted asked for two employees; one as a part-time Prosecutor in Family Court. There had been no additional employees in the Berkeley Solicitor's Office since 1997 when the Victim Witness Advocate was hired. That particular employee is being covered by the Victim Witness fund and is no longer a cost to Berkeley County Government. The second position, part-time Prosecutor for Family Court, is crucial but he is pleased to delete the section that indicated it would come out of Berkeley County's budget. There is enough money, barely, in the State Appropriation that he could fund that position. Mr. Hoisington stated he could do that for a year because it is a crucial component of their Prosecution plan. They are more current; they have the five lawyers they need in General Sessions Court. They have asked for four grants position through the Federal Government; if they get any, the first is coming to Berkeley County because that would be a full 100 percent grant.

Supervisor Rozier asked Mr. Hoisington was he asking for Berkeley County Council to fund the investigators? Mr. Hoisington stated that is correct. He stated for clarification that he is going to commit funds from the State Appropriation to Berkeley County, also. That would allow him to add a part-time Solicitor in Family Court.

Supervisor Rozier read a paragraph of a letter he received from the Public Defender's Office as follows: "Again the Public Defender's Office is in desperate need of an investigator. I'm sure you are aware that the Solicitor's Office has two full time investigators and can rely on various Law Enforcement Agents to gather and provide information and evidence for them. Of course this office does not enjoy that benefit, etc."

Mr. Hoisington stated the Public Defender is not a constitutional mandated office, nor is it an elected office. He stated he has the responsibility to the citizens as County Council does and it's a totally different agenda between the Public Defender's Office and Prosecution of crime.

The item was taken as information and Council gave Supervisor Rozier directions to search for the \$48,000 to fund the Solicitor's request.

Supervisor Rozier stated an Executive Session was needed to receive legal advice and personnel directions.

Councilmember Spooner moved to go into Executive Session for the reason stated; seconded by Councilmember Crosby; and passed by voice vote of the Committee.

Berkeley County Council went into Executive Session at 7:55 p.m. and returned at 8:35 p.m.

Mr. Lingenfelter stated Berkeley County Council went into Executive Session for reasons stated in the motion; no action was taken formal or otherwise.

Councilmember Spooner moved to adjourn; seconded by Councilmember Richardson; and passed by voice vote of the Committee.

The Meeting adjourned at 8:36 p.m.

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There will be a Special Meeting of the COMMITTEE ON FINANCE, Standing Committee of Berkeley County Council, on Monday June 11, 2001, in the Assembly Room, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, immediately following the meeting of the Committee on Water and Sanitation, the Committee on Community Services and the Committee on Justice and Public Safety, at 6:00 p.m.

**AGENDA**

- A. J. Marc Hehn, Berkeley County Water and Sanitation Director, Re: Review of 2001-2002 budget.
- B. Mr. Ralph E. Hoisington, Ninth Circuit Solicitor, Re: Review of 2001-2002 department budget.

June 6, 2001  
S/Barbara B. Austin  
Clerk of County Council